

Exhibit D



Department of
Transportation



Metropolitan Transportation Authority
State of New York

December 17, 2019

The Honorable Nicole R. Nason
Administrator
Federal Highway Administration
U. S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, D.C. 20590

Dear Administrator Nason:

We want to personally thank you, Under Secretary Szabat, and your colleagues for meeting with us on December 6, 2019. Our discussion was invaluable in helping to guide our response to your October 24, 2019 letter pertaining to the State's June 17, 2019 Expression of Interest to implement an area-wide pricing program under the Value Pricing Pilot Program.

As noted during this meeting, our team has begun the requested Traffic and Revenue Study and we anticipate being able to share an initial draft with you by the end of January 2020. In the interim, we would like to submit Attachment I in response to the specific materials requested in your October 24, 2019 letter so that the Federal Highway Administration may further assess the State's request to proceed with an area-wide pricing program. As discussed, much of the information requested is traditionally compiled through the National Environmental Policy Act process, for which the federal determination on the class of action is pending.

We recognize that this proposal is transformational and unprecedented in reimagining transportation policy in densely populated and congested cities. However, just as the Urban Partnership Agreement promised in 2007, we have the opportunity today to implement a new comprehensive national policy response to urban congestion. We look forward to an immediate decision on the determination of the class of environmental action. With your support, and that of the Federal Highway Administration, we truly have an opportunity to empower communities through innovative self-help market-based strategies to generate new revenues for infrastructure renewal while reducing the regulatory oversight for projects with no or a de minimus federal share. If you have any questions pertaining to the responses in Attachment I, please contact either of us directly at MarieTherese.Dominguez@dot.ny.gov, 518-457-4422 or PFoye@mtahq.org, 212-878-7230.

Sincerely,

A handwritten signature in black ink that reads "Marie Therese Dominguez".

Marie Therese Dominguez
Commissioner
New York State Department of Transportation

A handwritten signature in black ink that reads "Pat Foye".

Patrick J. Foye
Chairman and Chief Executive Officer
Metropolitan Transportation Authority

Nason, 12/13/19

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c.c.: J. Szabat, Under Secretary Transportation for Policy, USDOT
P. Trottenberg, Commissioner, NYCDOT
R. Epstein, Executive Deputy Commissioner, NYSDOT
A. C. de Cerreño, Senior Vice President, MTA/TBTA
W. Carry, Senior Director, NYCDOT

Attachment I***A. Estimated reduction in traffic volumes and congestion levels for various types of system users, including commercial vehicles and transit vehicles.***

A more complete response to this question will be provided when New York obtains federal authorization to undertake the environmental review process. In the interim, we anticipate providing preliminary results through the Traffic and Revenue Study, scheduled for completion in late January 2020.* With that said, and with respect to your question of where congestion would be reduced, we anticipate that the primary congestion benefits will accrue to the Central Business District (CBD), defined in the Metropolitan Transportation Authority Reform and Traffic Mobility Act of 2019 (“Mobility Act”) as:

... the geographic area in the borough of Manhattan south of and inclusive of sixtieth street to the extent practicable but shall not include the FDR Drive, and New York state route 9A otherwise known as the “West Side highway,” including the Battery Park underpass and any surface roadway portion of the Hugh L. Carey Tunnel connecting to Wst St.

Additional congestion benefits will likely accrue to areas just outside the zone, including the Upper West and East Sides in Manhattan, Long Island City in Queens, and Williamsburg and Downtown Brooklyn in Brooklyn. While we are refining the calibration for our modeling, preliminary runs indicated that we should achieve the congestion reduction benefits in the range envisioned in the 2007 Urban Partnership Agreement between the City of New York and the United States Department of Transportation. The study will also provide an annualized estimate of revenue generated under each scenario for planning purposes; this will not be an investment-grade revenue estimate.

B. How tolling charges will be varied in the variable priced system, and if and how adjustments to the toll pricing schedule will be considered and approved.

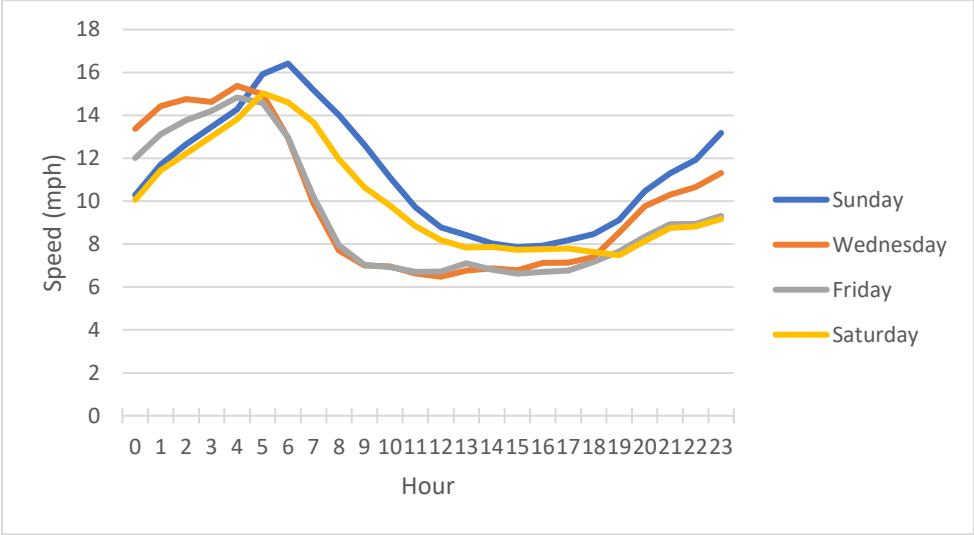
The Mobility Act establishes a new six-member Traffic Mobility Review Board (TMRB) to advise on variable toll rates, and potential discounts, exemptions and credits. The TMRB’s recommendations on these actions will be presented to the Triborough Bridge and Tunnel Authority Board for review and action no earlier than November 15, 2020. While the TMRB will not provide their recommendations prior to November 15, 2020, we can provide basic parameters as well as a description of the process.

With respect to tolling variability, we anticipate that tolls will vary by time of day, via a fixed schedule, with the highest pricing occurring during peak congestion periods. Figures 1 and 2 provide illustrative views of the typical peak congestion period durations experienced within the CBD. To facilitate collection of tolls, we will be using Pass and

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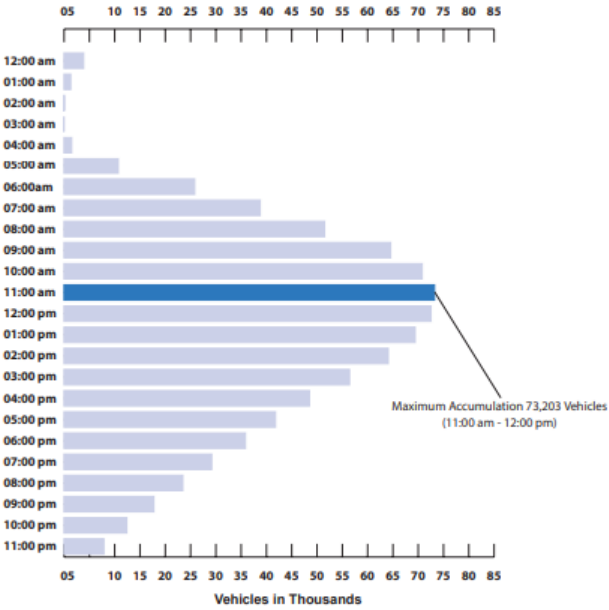
camera (Tolls by Mail) technologies, which are widely accepted throughout the northeast and consistent with the ITS Regional Architecture.

Figure 1. Hourly Average Traffic Speeds in the Manhattan CBD



Source: NYCDOT, Analysis of yellow taxi GPS data.

Figure 2. Weekday Hourly Accumulation of Vehicles the Manhattan CBD



Source: New York Metropolitan Transportation Council, Hub Bound Travel Data 2017, p. 7.

C. Anticipated effects on driver behavior, especially as impacted by congestion charge exemptions that may be granted, as well as impacts on low-income drivers and relevant mitigation measures under consideration.

The Traffic and Revenue Study, as well as the environmental review, will examine impacts on driver behavior, including low-income drivers. The study will assess the degree to which drivers into the CBD switch to other modes, change their route choice, or change the time of day of their journey. The extent of those changes will depend on the toll levels, toll variability by time of day, and whether drivers are given credits for tolls paid on currently-tolled facilities. As the specific toll rates and policies will be determined by the TBTA, informed by the recommendations of the TMRB, the Traffic and Revenue Study will provide a range of options to illustrate possible outcomes.

Of particular interest to the applicants is addressing the so-called “bridge shopping” problem between Brooklyn/Queens and Manhattan. Under current conditions, many drivers choose to travel via the free East River Bridges instead of the tolled TBTA crossings in order to save money. In many cases, these drivers end up traveling out of their way to reach the free crossings, creating additional congestion. Credits for currently-tolled facilities, if recommended by the TMRB and adopted by the TBTA Board, could significantly reduce or eliminate bridge shopping, increasing network efficiency and reducing congestion.

A more complete response related to impacts, if any, on Environmental Justice (EJ) communities will be provided when New York obtains federal authorization to undertake the environmental review process. In terms of known impacts on low-income drivers, the Mobility Act specifically provides a tax credit for tolls paid by residents within the CBD who earn less than \$60,000 a year.

D. Proposed use of revenues generated by the project, especially for operating and maintaining the roadway facilities that will be tolled.

As part of a long and demonstrated commitment by the region to maintain the highway network, New York State Department of Transportation (NYSDOT) and New York City Department of Transportation (NYCDOT) have a history of significantly overmatching available and forecasted federal-aid resources for renewing and modernizing roads and bridges. In September 2019, the New York Metropolitan Transportation Council, the Metropolitan Planning Organization for the ten-county region, inclusive of New York City, adopted a \$22 billion fiscally constrained Transportation Improvement Program (TIP) covering the period of 2020 through 2024 of which approximately 50 percent is federally-aided. In addition, during this period, the State and City plan to commit more than \$2.0 billion in 100 percent non-federal funds outside of the TIP to operate and maintain the road and bridge infrastructure in the CBD.

With respect to the use of tolling revenues generated through the proposal, the Mobility Act establishes a dedicated locked box. After the use of initial revenues to support and maintain the tolling program, including capital costs, net revenues would be directed for capital projects to support the renewal and modernization of the Metropolitan

Transportation Authority's (MTA) New York City Transit (80 percent); Long Island Rail Road (10 percent); and Metro-North Railroad (10 percent).

It should be noted that the Value Pricing Pilot Program, for which the State has submitted an Expression of Interest, permits the proceeds from an approved tolling project to be used for any eligible activity under Title 23 of the United States Code. The recommended use of the tolling revenues generated through the Central Business District Tolling Program (CBDTP) to renew and modernize the public transportation system, which are an eligible activity under Title 23 of the United States Code.

E. Potential impact on transit ridership and plans to sustain the area's transit operations, infrastructure, and rolling stock in a state-of-good-repair.

The Traffic and Revenue Study, as well as the environmental review, will examine the potential impact on transit ridership. With respect to plans, the State of New York, the City of New York, and the MTA have demonstrated a longstanding commitment to sustaining transit operations. For example, the State and City provide approximately \$7.2 billion annually in direct and indirect operating support, more than all other states combined. In terms of capital support, the MTA recently adopted a \$51.5 billion strategic investment capital plan. The plan assumes a federal share of less than 35 percent and relies heavily on locally generated revenues and direct State and City contributions.

F. Intended use of Federal-aid highway program funds to implement the project, if applicable and if so, procurement and sourcing plans, including plans to maximize domestic content.

The Expression of Interest submitted to the Federal Highway Administration on June 17, 2019 does not contemplate the use of Federal-aid highway program funds to implement this project.

G. Considerations of the ITS Regional Architecture, systems engineering, and electronic tolling interoperability.

As noted earlier, the CBDTP will use E-ZPass and camera (Tolls by Mail) technologies, widely accepted throughout the northeast, to implement this project. These technologies are consistent with, and incorporated into, the ITS Regional Architecture. Following a Systems Engineering Plan approach, this new application of these technologies will be detailed in the Concept of Operations and integrated into the ITS Regional Architecture. Further, the plan is to share the traffic-related data from the CBDTP with New York City and New York State Departments of Transportation.